June 30, 2005

JUL 0 8 2005

PUBLIC SERVICE COMMISSION

Executive Director
Public Services Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602

Sir,

2005-00 235

As I did in strong terms in 2003, I strongly protest the requested increase in sewer treatment fees by Mallard Point Disposal Systems, Inc. from \$35.29 to \$52.78 per month, a 49.57% increase in two years of providing poor service to the Mallard Point subdivision.

Our current sewer fees are already almost three times more expensive than those charged to residents in Lexington and other surrounding communities. If Mr. Smith talks you into granting an additional 50% increase over what you gave him two years ago, the resulting sewer charges will be criminal. We must depend on you, as our sworn public service representatives to prevent monopoly utility companies, like Mr. Smith's from overcharging the public. Thus, I request that you deny this outlandish request.

Besides the exceptionally high fees we already pay to Mr. Smith, we also must personally shoulder most of the costs of sewage treatment that most other community sewage disposal utilities provide for their customers in their lower fees. We, at Mallard Point must pre-grind all of our sewage before it exits our property by routing it through our personally owned and expensively operated inground sewage grinder systems. Replacement costs for the grinder component alone is approximately \$2,000 and its life expectancy is less than seven years. This cost, coupled with the excessive electricity required to operate our personal sewage treatment systems already more than doubles each resident's sewage treatment expenses, even at the current exorbitantly high fee Mr. Smith charges. My average cost for sewage treatment includes approximately \$60/mo. for my on property sewage treatment operations, plus the \$35.29 I pay Mr. Smith. This adds up to a whopping \$95.29 per month average cost for sewage treatment. If you allow him to talk you into increasing his fees to \$52.78, my monthly sewer treatment costs will rise to approximately \$112.78. Would YOU pay that much for your sewage treatment service for your home? If you personally would not, then how can you approve Mr. Smith's outlandish request for us to pay for his inability to efficiently operate his personal sewage treatment utility.

In light of these points, I can see absolutely no justification for forcing myself and other customers of Mr. Smith's monopoly utility to pay for his ineffectiveness in operating his utility. I believe that Mr. Smith's Mallard Point related business should be audited by the Kentucky State's Attorney to determine if or validate

that his sewage treatment utility has been operated inefficiently and operated in a direct conflict of interest with his role as the self elected president of the Mallard Point Homeowners Association and the Mallard Point subdivision contract services provider. If this audit validates that a conflict of interest has existed, thus his customers have been overcharged in the past, I believe he should be required to provide us with a refund instead of charging us more for his utility's incredibly poor service.

I will be present during any open discussion sessions you have on this request. Please don't decide this matter behind closed doors. Public trust in Kentucky's governmental agencies is low enough now without adding fuel to the fires of mistrust.

Regards,

James Price

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Georgetown, KY 40324

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